



**Virginia
Regulatory
Town Hall**

**Notice of Intended Regulatory Action
Agency Background Document**

Agency Name:	Department of Professional and Occupational Regulation
VAC Chapter Number:	18 VAC 135-60-10
Regulation Title:	Common Interest Community Management Information Fund Rules and Regulations
Action Title:	Promulgating Regulations
Date:	7/19/01

This information is required prior to the submission to the Registrar of Regulations of a Notice of Intended Regulatory Action (NOIRA) pursuant to the Administrative Process Act § 9-6.14:7.1 (B). Please refer to Executive Order Twenty-Five (98) and Executive Order Fifty-Eight (99) for more information.

Purpose

Please describe the subject matter and intent of the planned regulation. This description should include a brief explanation of the need for and the goals of the new or amended regulation.

The Common Interest Community Management Information Fund (the Fund) was created by Acts of the 1993 General Assembly (chapter 958) and assigned to the Real Estate Board (the Board) for administration and support. The fund was established to be used by the Board to "promote the improvement and more efficient operation of common interest communities through research and education." The 2001 General Assembly (chapter 816) amended the statutes to include the establishment of the Community Association Liaison who is responsible for the administration of "the requirements of this chapter [Chapter 29 of Title 55] and serve as an information resource on issues relating to the governance, administration and operation of common interest communities, including the laws and regulations relating thereto." These regulations will be the first set in place for the administration of the fund; there are no existing regulations to amend.

The NOIRA will solicit public comment on all areas of possible regulation with an emphasis on the source of monies to the fund and the fee to be submitted with an annual report.

Basis

Please identify the state and/or federal source of legal authority to promulgate the contemplated regulation. The discussion of this authority should include a description of its scope and the extent to which the authority is mandatory or discretionary. The correlation between the proposed regulatory action and the legal authority identified above should be explained. Full citations of legal authority and, if available, web site addresses for locating the text of the cited authority must be provided.

The Board's authority to promulgate regulations for the administration of the Common Interest Community Management Information Fund may be found in § 55-530(C) of the Code of Virginia and was effective July 1, 1993. This section of the Code provides for the Real Estate Board to prescribe regulations to accomplish the purpose of the Statute.

Substance

Please detail any changes that would be implemented: this discussion should include a summary of the proposed regulatory action where a new regulation is being promulgated; where existing provisions of a regulation are being amended, the statement should explain how the existing regulation will be changed. The statement should set forth the specific reasons the agency has determined that the proposed regulatory action would be essential to protect the health, safety or welfare of citizens. In addition, a statement delineating any potential issues that may need to be addressed as the regulation is developed shall be supplied.

Current estimates indicate that as many as one in seven individuals living in Virginia resides in a common interest community. A large number of those living in these communities are often not aware of the requirements of the various statutes involved in the day to day operation of the community. This include the Condominium Act (§ 55-79.39 et seq. of the Code of Virginia), the Virginia Real Estate Cooperative Act (§ 55-424 et seq. of the Code of Virginia), and the Property Owners' Association Act (§ 55-508 et seq. of the Code of Virginia).

These regulations are necessary to implement the Acts of the 1993 General Assembly and administer the Common Interest Community Management Information Fund, as well as provide for the implementation of the Community Associations Liaison, mandated by the 2001 General Assembly and signed into law by Governor Gilmore. Both the Fund and the Liaison are mandated to protect the public health, safety, and welfare of the citizens of the Commonwealth by improving and enhancing the efficient operation of common interest communities through research and especially education.

Alternatives

Please describe, to the extent known, the specific alternatives to the proposal that have been considered or will be considered to meet the essential purpose of the action.

This is the initial regulation promulgation activity for the administration of the Common Interest Community Management Information Fund, and no alternatives have been identified

to evaluate. The Department of Professional and Occupational Regulation and the Real Estate Board will carefully weigh all information coming into its possession with the objective of developing regulations which intrude as little as possible into the conduct of commerce by the regulated community and have the smallest possible adverse impact on the public.

Family Impact Statement

Please provide a preliminary analysis of the potential impact of the proposed regulatory action on the institution of the family and family stability including to what extent the regulatory action will: 1) strengthen or erode the authority and rights of parents in the education, nurturing, and supervision of their children; 2) encourage or discourage economic self-sufficiency, self-pride, and the assumption of responsibility for oneself, one's spouse, and one's children and/or elderly parents; 3) strengthen or erode the marital commitment; and 4) increase or decrease disposable family income.

No direct impact (positive or negative) on the institution of the family or family stability has been identified with the promulgation of these regulations